



NEWS RELEASE

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SBA URGES OUTREACH TO SUPPORT MARINAS AND FISHING OPERATIONS ON THE GREAT LAKES AS WATER LEVELS FALL, OPERATING COSTS RISE

WASHINGTON – The U.S. Small Business Administration (SBA) is urging its lending partners in the Great Lakes states to use SBA credit programs to help commercial and charter fishing operations and marinas hurt by the effects of declining water levels, Administrator Aida Alvarez announced today.

“These small businesses on the Great Lakes are facing the kind of obstacle no amount of planning could prevent,” said Administrator Alvarez. She added that SBA’s existing mix of loan products under its general business loan guaranty program, particularly the 7(a) program, **“is flexible enough to provide financing to offset the effects of the low water levels. We have the tools to meet the need, and we will make sure these companies quickly find out what we can do to help them meet their financing needs.”**

Administrator Alvarez is asking the field offices in eight states—Minnesota, Wisconsin, Illinois, Indiana, Michigan, Ohio, Pennsylvania, and New York—to conduct an aggressive outreach campaign to make sure lenders, other SBA partners, and businesses in the recreational and commercial boating industry are aware of the assistance available through SBA programs.

During the last two years, the Great Lakes have suffered the greatest decline in water levels since record keeping on the water levels began 140 years ago. The level on most of the lakes and the connecting channels has dropped by more than 3.5 feet.

Nearly all Great Lakes marinas, harbors and navigational channels, under normal circumstances, must dredge every five to 25 years to remove accumulated sediment. Typically, only 10 to 20 percent of the channels receive routine dredging. But since the water level decline has been so dramatic and sudden, all of the channels require dredging.

Requests for dredging permits this year are more than double the long-term average, with many small businesses needing financing to pay for necessary dredging earlier than they had expected.

“This can be a win-win situation for our lending partners who want to assist their customers in the commercial and recreational boating industries,” Administrator Alvarez said. **“Dredging is critical to their continued successful operation. The SBA can provide the loan guaranties that make the costs of these projects affordable to small businesses.”**

Additional information about SBA programs and services is available at SBA’s Web site:
<http://www.sba.gov>. Or call the **SBA Answer Desk at 1-800-U-ASK-SBA.**

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